

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of)	
)	
Amendment of the Commission's)	GEN Docket No. 90-314
Rules to Establish New Personal)	
Communications Services)	

UTAM REPORT TO THE FCC

January 1, 2001

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UTAM, Inc. ("UTAM"), the frequency coordinator for the unlicensed personal communications service ("UPCS") band, herewith submits its twelfth report on implementation of the UTAM Plan for Financing and Managing 2 GHz Microwave Relocation.¹ As detailed below, UTAM continues to fulfill its obligations to make significant progress in clearing the UPCS band and facilitating the deployment of UPCS devices. The market for UPCS devices continues to expand as the number of deployed devices continues to grow with additional manufacturers entering the market and applications of wireless technology continue to penetrate all facets of business, education and health care. The procedures that UTAM has put in place to insure compliance with its charter continue to work well in managing the deployment of unlicensed devices and protecting incumbent microwave operations from any interference. To date, no incidents of microwave interference have been encountered.

¹ UTAM Plan for Financing and Managing 2 GHz Microwave Relocation, GEN Docket No. 90-314 (filed Aug. 1, 1994) [hereinafter "UTAM Plan"]. On April 19, 1995, the Commission formally approved UTAM as the UPCS frequency coordinator. As part of its responsibilities, UTAM was charged with submitting biannual progress reports to update: (a) the financial and band-clearing plans; (b) projections of future band clearing; (c) the extent of incumbent microwave relocations; (d) the extent of UPCS device deployment; and (e) any difficulties encountered in implementing the UTAM Plan. Amendment of the Commission's Rules to Establish New Personal Communications Services, 10 FCC Rcd 7955 (1995) (Fourth Memorandum Opinion and Order).

I. EXECUTIVE SUMMARY

As noted in previous reports to the Commission, UTAM continues to meet the objectives established by the Commission in bringing UPCS systems to the public. Over the course of the reporting period, the processes and procedures put in place to allow the deployment of UPCS devices have continued to work well and continue to be adhered to by manufacturers of UPCS devices.² As in the past, UTAM will continue to monitor these processes and procedures and make any refinements deemed necessary.

Since UTAM filed its last report with the Commission in January, 2000, UTAM is pleased to report that the following tasks have been accomplished:

- ▶ UTAM has expanded the comprehensive cost sharing agreement reached with the PCIA Clearinghouse³ and its members to include Powertel, Omnipoint, Cook Inlet and Telecorp. The expanded agreement continues to accelerate the UPCS clearing process by opening up a number of counties and major metropolitan areas to unencumbered deployment of UPCS devices.
- ▶ Consistent with its regional clearing strategy, having completed the Northeast, UTAM has been focusing on clearing the Southeast region and, as of this report, approximately 98% of the region is clear. The next region to be addressed will be the Midwest.
- ▶ Nationally, in the 1920 – 1930 MHz Isochronous band, UTAM has increased the number of counties available for unencumbered deployment to 2,928, or 93% of the U.S. In the 1910 – 1920 MHz asynchronous band, 2,675 counties, or 86%, of the country is available for unencumbered deployment.

² Under FCC rules, parties must execute a signed Subscriber Agreement with UTAM, receive UTAM certification and obtain FCC authorization before marketing or installing a UPCS product of device. See 47 C.F.R § 15.307.

³ The PCIA Clearinghouse is one of two designated entities established by the FCC to track the relocation of microwave links that operate on the Licensed and Unlicensed PCS frequencies, to notify affected entities of such relocations, and to facilitate the sharing of microwave link relocation costs by such affected entities.

- ▶ UTAM has instituted its own web home page (UTAM.Org), allowing anyone to get information on UTAM easily.

II. UPCS MARKET DEVELOPMENT

With the UPCS band now in its 6th full year of availability for deployment of unlicensed devices, the market for products that operate in this band continues to grow and illustrate all the signs of success. The use of enterprise based wireless systems has become an integral part of conducting business. From small businesses, to large businesses, from small elementary schools to college campuses the use of these unlicensed wireless devices has improved productivity and made communications more convenient. In many industries the use of these devices is almost a competitive must.

The success of this growing industry can be seen in three areas, the number of units deployed each year, the size of the systems deployed and the number of manufacturers selling unlicensed products. Each year, from the inception of the UPCS band, the growth in the number of units deployed has averaged over 25% and this past year will be no exception. In addition, the size of the systems have grown from an average of 21 users per system to 35. Many of the larger systems are supporting hundreds of users and the availability of spectrum is becoming an issue. As with all markets that are successful they tend to attract additional competitors and the market for unlicensed products is not different as additional competitors continue to introduce new products with enhanced features and applications. As a result of the additional competition, end users are also witnessing downward pressure on pricing.

As the technology continues to become less expensive, it is expected to create wider demand for these systems both in volume and the size of systems deployed, as

users will opt to provide coverage over greater areas of their business and expand the use of these devices to more employees.

III. DEPLOYMENT ACTIVITIES

A. Deployment Procedures

As stated in previous reports, UTAM is pleased that the procedures developed and refined to facilitate the deployment of UPCS devices continue to be effective and are being readily adhered to by manufacturers. In an ongoing effort to effectively streamline its operations and to respond to suggestions made by participating manufacturers and others, UTAM will continue to evaluate and refine these procedures, as needed. To date, the lack of any interference incidents with microwave incumbents attests to the quality of the processes and the adherence to them by the manufacturers.

Since UTAM filed its last report with the Commission, the UTAM Database Management System (DBMS) continues to perform as designed. It has also been made available to members via an Internet interface and UTAM has instituted its own home page at UTAM.ORG, providing anyone the ability to get information on UTAM, check the Zone 1 / Zone 2 status of a county, or direct correspondence to UTAM.

Members are complying with the requirements set forth in the Subscriber Agreement to update the DBMS when products are sold and installed, which allows UTAM to monitor market development, aggregate power generation and to ensure compliance with pre-designated power limits set for Zone 1 counties.

Also, as specified in the Subscriber Agreement, UTAM, through an independent third party, continues to audit its subscriber members deployment records to ensure that

UTAM's records accurately track product deployments, thereby ensuring the integrity of the DBMS. This audit is intended to ensure that the database monitoring mechanisms are operating as intended and that the proper clearing fees are paid. To date, no major discrepancies have been observed.

B. Prior Coordination Notice ("PCN") Procedure

As noted in earlier reports to the Commission, UTAM has classified each county in the United States based upon a two-zone classification system. Zone 1 counties are those counties distant from existing microwave operations that permit deployment of UPCS products up to a pre-determined and "pre-coordinated" power limit. In contrast, Zone 2 counties have existing microwave operations either nearby or in the county and, as a result, UPCS product deployments cannot occur within such a county until a site-specific coordination has been successfully completed. There are also 1,123 Isochronous and 1,148 Asynchronous Zone 2 counties that UTAM has classified as "non-scheduled". These counties qualify for a pre-coordinated Zone 1 status, however, their business population is typically less than 5,000 and therefore have not been scheduled for conversion at this time. These counties are automatically converted by UTAM, via the PCN process, when any subscriber files for a site specific coordination in that county.

Through the course of 2000, UTAM, through its Prime Frequency Coordinator, Comsearch, has issued a total of 161 PCNs for Zone 1 candidate counties, bringing the total number of Zone 1 counties in the 1920 - 1930 MHz Isochronous band to 1805, or 57% of the counties in the U.S. When the qualified Zone 2 "non-scheduled" counties are considered, 93% of the counties would qualify as Zone 1. In the 1910 - 1920 GHz

Asynchronous band, the total number of Zone 1 counties has increased from 1,473 in UTAM's last report to the Commission, to 1,527, or 49% of the counties in the U.S. When the qualified Zone 2 "non-scheduled" counties are considered, 86% of the counties are available for unencumbered deployment in this band. A Zone 1 PCN notifies affected microwave incumbents that UTAM has declared a county to be a Zone 1 candidate and that the county will be "pre-coordinated" for a particular power level as determined in accordance with current TIA Bulletin 10 guidelines.

C. Product Deployment

Also, as in past reporting periods, product deployment continues to grow at a healthy pace. Quarter-over-quarter product deployments continue to demonstrate a healthy growth curve in a developing market. As chartered, UTAM will continue to coordinate the deployment of these unlicensed devices and to collect the associated clearing fees. As more fully detailed in the UTAM Plan filed with the Commission, UTAM will use these fees to finance the relocation of microwave incumbents from the spectrum allocated to UPCS.

IV. RELOCATION ACTIVITIES

The continued successful growth of the UPCS market ultimately depends on the full clearing of the UPCS band. If one looks at the growth of the market over time, there is a strong correlation with the availability of Zone 1 counties. While the complete clearing will still take a few more years, UTAM has taken steps that will both facilitate ease of deployment and accelerate the clearing process. As mentioned in earlier reports, UTAM

has undertaken a regional clearing strategy to facilitate the conversion of the remaining Zone 2 counties. By taking this approach, UTAM will open up large contiguous areas of the country for unencumbered product deployment. UTAM's initial focus was in the Northeast region which, with the exception of a few small, sparsely populated counties, is now clear. UTAM's most recent focus has been on the Southeast region, which to date is now over 98% clear. After completing the Southeast region UTAM will begin to focus on the counties still to be converted in the Midwest region. In the course of this effort, UTAM has submitted Prior Coordination Notices to the Microwave Clearinghouses consistent with its obligation under the FCC Microwave Relocation Cost Sharing rules. In doing so, it has initiated obligations consistent with the rules.

As mentioned in the last report to the Commission, UTAM, in an effort to accelerate the clearing process, has entered into a comprehensive cost sharing agreement with the PCIA Clearinghouse and its members. Under the agreement, UTAM will share the costs of relocated microwave links with the PCS carriers responsible for their relocation. The result of this agreement has been to convert a significant number of counties to Zone 1 status, many of which contain major metropolitan areas. Recently, UTAM and the PCIA Clearinghouse have extended that agreement to include Powertel, Telecorp and Omnipoint. It is anticipated that this accelerated clearing effort will contribute to the continued growth of the UPCS market, and in turn, generate accelerated clearing fees that will be applied, in part, to the costs incurred under the cost sharing agreement and increase the potential for opening up the UPCS band to nomadic devices.

V. OPERATIONAL, ORGANIZATIONAL AND FINANCIAL STATUS

A. Operational Status

UTAM continues to successfully use the operational procedures that it put in place to oversee the deployment of UPCS devices and coordinate deployment with incumbent microwave systems. UTAM will continue to evaluate these processes and refine them as necessary.

As a result of its ongoing evaluation of these procedures, plus feedback from its members, UTAM has recently instituted an internet interface for its database and has implemented a home page for easy access to UTAM information.

B. Membership and Staffing

The voting membership currently consists of Alcatel USA, ASCOM Wireless Solutions, Cortelco, CTP Systems, IWATSU America, Avaya (formerly Lucent Technologies), Motorola, Inc., NEC America, Inc., Nitsuko America, Nortel Networks Inc., Siemens Information and Communication Networks, Inc., SpectraLink Corporation, ECI Telecom, Inc and Toshiba. In addition, UTAM also has numerous associate members.⁴ Given the ongoing number of inquiries for requirements to operate in the UPCS band, combined with the continued clearing of the UPCS band, UTAM is confident that additional manufacturers and distributors will become voting members in 2001.

UTAM's subcommittee structure continues to provide the Board of Trustees with additional operational support. Subcommittee membership is open to any interested party, and several member and non-member companies continue to participate actively in this regard.

C. Funding

⁴ A complete list of UTAM Board of Trustees and Associate Members is attached.

UTAM has continued to collect clearing fees from the deployment of UPCS products. The actual and forecasted growth in clearing fees resulting from increased deployments indicates that these fees, combined with UTAM's current assets, will keep UTAM in a sound financial position into the foreseeable future.

VI. OUTREACH ACTIVITIES

UTAM has continued its efforts to maintain contacts with other PCS-related industry groups in order to remain current on industry developments. UTAM continues to discuss UTAM's participation in the FCC's cost sharing process with representatives of the PCIA and ITA clearinghouses.

Through its members, UTAM also participates in other industry-wide seminars and trade shows to increase the awareness of the market for UPCS devices. In addition, UTAM continues to answer inquiries regarding its objectives and processes and provides information to interested parties as necessary.

VII. CONCLUSION

UTAM is once again pleased to report that the framework that has been established for the deployment of unlicensed devices continues to work successfully. The continued growth of UPCS sales, the continued adherence by manufacturers to UTAM's operational processes and UTAM's continued efforts to prevent harmful interference to microwave incumbents indicate that UTAM is maintaining a proper course for fulfilling its overall charter. UTAM will continue to monitor and refine its operations to meet the dynamics of the UPCS market and looks forward to the challenges that lie ahead.

Respectfully Submitted,

UTAM, INC.

By: /s/ Sandy Abramson

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January 1, 2001

APPENDIX A

UTAM BOARD OF TRUSTEES AND ASSOCIATE MEMBERS

VOTING MEMBERS

Alcatel USA – Mr. Jose Paulett
ASCOM Wireless Solutions. – Mr. Chad West **
Avaya, Inc. – Ms. Sandy Abramson (*President*) **
Cortelco – Mr. John Harbor
CTP Systems – Mr. Mark Giugni
ECI Telecom, Inc. – Mr. Rob Roberts **
Ericsson, Inc. – Mr. Wade Chapman
Motorola, Inc. – Mr. Craig Chenicek (*Treasurer*) **
NEC America Inc. – Mr. Paul Weismantel (*Vice-President*) **
Nitsuko America – Mr. Paul Schaeffer
Nortel Networks Inc. – Mr. Gord Webster **
Siemens Information and Communication Networks, Inc. – Mr. Peter Kozdon
SpectraLink Corporation – Mr. Ben Guderian (*Secretary*) **
Toshiba – Mr. Paul Keith

** Member of the Board of Trustees

UTAM ASSOCIATE MEMBERS

Bell South Wireless, Inc.	JRC Canada, Inc.
Communications Certification Laboratory	Matsushita
Comsearch	NTT America
Freepoint Telecom	P-Com Network Services
Harris Corporation	Phillips Business Communications
Industrial Telecommunications Association	Redcom Laboratories